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Chief, Economic Research Area, ORR

5 October 1959

Acting Chief, Industrial Division, ORR

Monthly Report, September 1959

I. Relations with and Support to Other Components:

A. CIA

1. During September the Division was engaged in work on contributions to four National Intelligence Estimates including initial research begun on 11-3-60, a contribution to D/A on 11-4-59, a supplementary contribution for 11-5-59, forwarded at the request of CMATC (see item No. 13 below), and continuing support to OMI on 11-8-59.

2. A paper was prepared by I/GM for the DCI's use, commenting on statements on various aspects of guided missiles made by Khrushchev during his visit to the US. The comments cover both the public statements and the private ones available to date.

3. I/GM contributed to an OCI Weekly Review article with respect to the guided missile implications of a recent series of events in the Soviet Far East. Other OCI support included the preparation of a Bulletin item [REDACTED] concerning a substantial increase in Soviet military construction activity.

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4. [REDACTED] of I/GM presented briefings on various aspects of Soviet guided missile deployment at the CIA Guided Missile Forum.

5. I/EE, I/GM and I/PE supported OO/C by furnishing requirements in connection with the Khrushchev visit.

6. At various times during the month, discussions on machine data processing problems and proposals were held by I/GM with: the ORR representative on the DCR Data and Automation Group, whose final report on the applicability of the MINICARD system to missile problems is now being prepared; the AD/RR's designee for assessing EDPM in connection with a report prepared for the DD/I; SR/OCR regarding possible alternatives to MINICARD and other problems; NSA regarding expansion of that agency's machine processing and reporting of certain high-volume materials; and AFCIN and ATIC, arranging for receipt by I/GM of certain listings from ATIC's 704 computer program.

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7. Support was given OSI in the form of I/EE estimates of production of various types of radar sets in use in the Bloc.

25X1X7 8. At the request of DD/P, ^{25X1A9a} [REDACTED], I/CM, briefed the [REDACTED] on guided missile intelligence collection requirements. In addition, I/CM participated in the briefing of 35 officers of DD/P/FI and 30 contact specialists of OO/C not previously briefed on missiles.

9. Various branches of the Division are furnishing support to the DD/P in the form of evaluations and requirements for use in the exploitation of a recently defected Soviet Naval Officer. The source has provided valuable information on the Soviet nuclear submarine program, cost of construction of Soviet naval vessels, the Soviet naval guided missile program and the cost to the military of several items of electronics equipment.

^{25X1A9a} 10. [REDACTED], I/PE, prepared briefs on two plants in Tashkent for use by the DD/P in interrogating [REDACTED] 25X1X7

11. DAD/RR, Chief, D/I and Deputy Chief, I/SH met with representatives of ONE, OCI, and OSI to discuss a proposed draft of the portion of NIE 11-4-59 concerning Soviet production of new types of submarines.

B. USIB Committees:

12. Members of I/AR met with USAF representatives and the Secretary of the Committee on Exchanges (USIB) to discuss plans for an exchange of aeronautical experts between the US and USSR. No definite dates have been set although a proposed itinerary has been suggested.

13. For NIE 11-5-59, a supplementary contribution was forwarded at the request of the Chairman, GMAIC, which, among other things, apparently demonstrated to GMAIC's satisfaction that the Soviet ICBM is probably in series production.

C. Other:

^{25X1A9a} 14. [REDACTED], I/ME, met with Mr. Moser of Ordnance Technical Intelligence Agency, US Army, relative to the question of Soviet capabilities in flying platforms.

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15. [REDACTED] I/EE, visited the Electronics Defense Laboratory to confer with the project analysts on the B-200 SAM research contract.

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16. [REDACTED] I/EE, provided information on motor vehicle production in Hungary and East Germany to Material Branch, ACSJ, Department of the Army.

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17. [REDACTED] I/EE, provided information to the Soviet Affairs Division of State Department on Soviet and US practices of gear rolling for the production of gears.

18. A formal requirement has been prepared by I/GM for NSA outlining CIA's needs for a series of priority studies to be completed by NSA within one year. This requirement is the culmination of the recent exchange of correspondence between the DD/I and the Director, NSA on this long-standing problem. I/GM is advised informally that the expected completion date on a limited requirement of a similar type has been advanced by at least several months over that reported last month, as a direct result of General Sanford's intervention.

19. Chief, I/EE has been invited to attend the regular meetings of the SIC Electronics Subcommittee, and was asked to participate in an SIC evaluation of Soviet Bloc infra-red capabilities. Participation by I/EE will consist of support on statements of production capability in infra-red cells, optics, or finished equipment.

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II. Changes in Estimates:

21. No significant changes were made during September.

III. Future Plans:

22. The OPR preliminary assessment of [REDACTED] is being prepared for the planned joint OO/OPR/OSI conference to be held in San Francisco in October to evaluate the [REDACTED]

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25X1X7 23. I/SH is preparing to send two representatives to the [REDACTED]

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24. Training plans for October include attendance at the Special Weapons Course, Maxwell Air Force Base, Alabama, by Mr. I/AR, and participation in an OTR ELIFT training course by Mr. I/ER. 25X1A9a

IV. Problems:

25. Another body of unprocessed and unexploited material has been discovered at NSA. This material was the subject of a detailed formal CIA requirement of January 1959. I/CM is now preparing another communication to NSA which will request, ore rotundo, that appropriate action be taken to satisfy this requirement.

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V. Other:

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27. I/MS, completed an extensive industrial orientation tour that took him to plants in Detroit, Cincinnati, Cleveland, Canton, Youngstown, and Pittsburgh. He received an excellent reception throughout this tour and feels that it proved to be a highly valuable training experience. Other members of I/MS visited the Dupont synthetic fiber plant in Richmond, Virginia and were equally enthusiastic about the value of such plant visits.

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